

News and Information

from the Tennessee Division of Consumer Affairs

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NEW 1998 LAWS FOR CONSUMERS

The Tennessee Division of Consumer Affairs presents a brief summary of consumer-related bills passed during the 1998 legislative session.

Credit Services Businesses (Credit Repair):

- Prohibits credit service businesses from engaging in practices that encourage consumers to provide false information on credit records.
- Strengthens consumer protection against unethical credit service business practices regarding full performance of contract.
- Increased the bonding requirements required for a credit service business to engage in business in Tennessee.
- Brought state law into compliance with recently enacted federal law.

Effective date: 5/1/98

Caller ID Blocking: Under this law, it will be unlawful for telemarketers to have an unlisted number or use caller ID blocking when soliciting Tennessee consumers.

Effective date: 7/1/98

Lottery Winnings: Prohibits telephone solicitors from offering lottery winnings to consumers in exchange for incurring monetary obligation or making a purchase. It increased the civil penalty maximum to ten (10) times the amount collected or requested by the telephone solicitor for each violation.

Effective date: 7/1/98

Clothing Security Tags: Specifies that retail businesses must reimburse consumers for mailing expenses if the business' anti-theft security tag was not removed from an article of clothing before leaving the store. The consumer must live more than 15 miles from the business and the consumer must have a receipt for the item as well as the proof of mailing expenses.

Effective date: 5/18/98

Ticket Sales: Upon cancellation of any performance or event for which a ticket for admission is sold, the ticket service company shall refund not only the purchase price but also any service fees or charges.

Effective date: 5/18/98

For more information, please contact the Division of Consumer Affairs at 615.741.4737.